

trades of all orders of the series that are executable in accordance with the programming.” (See page 38 of the application.)

Claim 15 was rejected in the final Office Action as being anticipated by Ausubel et al.

Ausubel et al. describes an auction system in which a bidder may enter into an auction system's database a flexible bid which defines the bidder's present and future bids. Ausubel describes flexible bidding at col. 2, lines, 39-50 and col. 6, lines 50-63, and gives an example at col. 11, lines 15-31.

However, Ausubel et al.'s set of bidding rules does not appear to be a series of orders from which the auctioneer system can select more than one bid of a bidder. Rather, the rules allow bidders to provide a current bid and future bids (see col. 1, line 65-col. 2, line 3), and the bidding rules appear to provide bids for different queries by the auctioneer system. While a bidder may provide a response to each auctioneer system query, either in real time or via the bidding rules, depending upon bidding responses, the auctioneer may change the offering price, e.g., where bids exceed the offered quantity. The auctioneer system runs through a number of iterations in order to determine the price at which it will accept bids. When the auctioneer system determines the price, bids at the acceptance price are accepted. The auctioneer/bidding process does not involve a bidder or auctioneer selecting a series of bids or offers within the context of a first counterpart, sequentially selecting a series of orders, as claimed in claim 15, and the auctioneer system, either prior to or at the conclusion of an addition, does not sequentially select from orders of bidders at different prices, but accepts bids at the acceptance price.

Claim 16

The trading system claimed in amended claim 16 comprises, among other things, programming that provides for the trading system to execute a trade of matched forwards trading orders of parties of a counterparty pair and, after execution of the trade, provide notification to the parties of the counterparty pair of the availability of a new forwards trade having the same pricing and size terms as the executed trade, and executing the new trade in response to input by both of the parties of the counterparty pair within a predetermined time after notification.

Claim 16 was rejected in the final Office Action as being anticipated by Ausubel et al. Ausubel et al. does not mention that a trade be executed having the same pricing and size terms as a previously executed trade by providing notification of the availability of the previously executed trade and then executing the new trade in response to input by both of the parties, as claimed in claim 16. This is not present in the Ausubel et al. system or in the prior art ascending bid auction format discussed at col. 1, lines 20-35, where a bidder is able to infer other bidders' information. Contrary to the Examiner's suggestion, this is not notification, after execution of the trade, to the parties of the counterparty pair of the availability of a new forwards trade having the same pricing and size terms as the executed trade.

Claim 19

Claim 19, which relates to a spread trading feature, was rejected in the final Office Action under 35 U.S.C. § 103 as being unpatentable over Ausubel et al. in view of Wilton et al.

As described in the application, a forwards spread trade involves a primary leg and a secondary leg, and a trader directly trades on the difference between a bid price and an offer price of the primary and secondary legs. The trading system of the application automatically generates a forwards spread order from components of the primary and secondary legs, or a

component of one of the legs from a forwards spread order and other components of the legs which are stored in memory.

Claim 19 claims, in connection with the processing and execution of a forwards spread trade, that the programming provides for the trading system to automatically generate from forwards orders stored in memory one of a forwards spread order including a spread price representing a difference between prices of potential first and second leg forwards trades and an order relating to one of the first and second leg forwards trades and a spread order, and display the automatically-generated order on display devices of user stations. The automatically generated order that is displayed on user stations is an order that can be traded in response to a request entered by a party at one of the user stations at which the order is displayed. The automatically generated order is not an order initiated by a party, as now expressly stated in amended claim 19.

The Wilton et al. system either automatically executes individual trades related to an arbitrage opportunity identified on behalf of the user who entered arbitrage opportunity parameters, or provides an alert to the user who entered the arbitrage opportunity parameters, who may then elect to proceed or not. The Wilton et al. system, in the embodiment in which an alert is given, identifies an arbitrage opportunity only to the user who entered arbitrage opportunity parameters. Claim 19, on the other hand, provides for the system to automatically generate a forwards order, and then display the automatically-generated order on display devices of user terminals, at a user terminal of which a party may enter a request to execute the automatically-generated and displayed order.

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Claim 20

Claim 20 specifies that a party may enter an order with the same pricing and size parameters of another party's order without entering order information that is entered when entering orders without this function, and provides a function for a party to add such new forwards trading order to the trading system.

Claim 20 was rejected in the final Office Action as being anticipated by Ausubel et al. The prior art auction formats disclosed at col. 1, lines 20-35, and the Ausubel et al. formats disclosed at col. 3, lines 1-30 and col. 11, line 15—col. 12, line 38. simply do not include a party automatically adding as a new forwards trading order a forwards trading order having the same pricing and size terms as the selected forwards trading order of the other party without the party entering order information entered when orders are entered without this function, as claimed in claim 20.

Closing

Arguments similar to those summarized above apply to claim 17 (dependent upon claim 16) and claims 34-37. It is submitted that claims 15, 16, 17, 19, 20 and 34-37 are allowable.

Reconsideration and allowance of the application with those claims are requested.

Respectfully submitted,

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